

APPENDIX C

Tax Codes on Tourism Taxes

Transient Room Tax

Title 17 – Counties

Title 17, Chapter 31 – Recreational, Tourist, and Convention Bureaus

17-31-2. Purposes of transient room tax -- Purchase or lease of facilities -- Mitigating impacts of recreation, tourism, or conventions -- Issuance of bonds.

(1) Any county legislative body may impose the transient room tax provided for in Section **59-12-301** for the purposes of:

- (a) establishing and promoting recreation, tourism, film production, and conventions;
- (b) acquiring, leasing, constructing, furnishing, or operating convention meeting rooms, exhibit halls, visitor information centers, museums, and related facilities;
- (c) acquiring or leasing land required for or related to the purposes listed in Subsection (1)(b); and
- (d) as required to mitigate the impacts of recreation, tourism, or conventions in counties of the fourth, fifth, and sixth class, paying for:
 - (i) solid waste disposal operations;
 - (ii) emergency medical services;
 - (iii) search and rescue activities; and
 - (iv) law enforcement activities.

(2) A county may use not more than 1/3 of the proceeds of the transient room tax provided in Section **59-12-301** for any combination of the following purposes:

- (a) (i) acquiring, leasing, constructing, furnishing, maintaining, or operating:
 - (A) convention meeting rooms;
 - (B) exhibit halls;
 - (C) visitor information centers;
 - (D) museums; and
 - (E) related facilities; and
- (ii) acquiring or leasing land required for or related to the purposes described in Subsection (2)(a)(i);
- (b) as required to mitigate the impacts of recreation, tourism, or conventions in counties of the fourth, fifth, and sixth class, to pay for:
 - (i) solid waste disposal operations;
 - (ii) emergency medical services;
 - (iii) search and rescue activities; and
 - (iv) law enforcement activities; or
- (c) making the annual payment of principal, interest, premiums, and necessary reserves for any or the aggregate of bonds authorized under Subsection (3).

(3) (a) The county legislative body may issue bonds or cause bonds to be issued, as permitted by law, to pay all or part of any costs incurred for the purposes set forth in Subsection (2)(a) or (b) that are permitted to be paid from bond proceeds.

(b) When the proceeds of the transient room tax provided in Section **59-12-301** are not needed for payment of principal, interest, premiums, and reserves on bonds issued as provided in Subsection (2)(c), the county legislative body shall use those proceeds as provided in Subsection (1), subject to the limitation of Subsection (2).

Amended by Chapter 159, 2001 General Session

17-31-3. Reserve fund authorized -- Use of collected funds.

The county legislative body may create a reserve fund and any funds collected but not expended during any fiscal year shall not revert to the general fund of the governing bodies but shall be retained in a special fund to be used in accordance with Sections **17-31-2** through **17-31-5**.

Amended by Chapter 79, 1996 General Session

17-31-5. General powers of board.

The county legislative body may do and perform any and all other acts and things necessary, convenient, desirable, or appropriate to carry out the provisions of Sections **17-31-2** through **17-31-5**.

Amended by Chapter 79, 1996 General Session

17-31-5.5. Independent audit.

The legislative body of each county imposing the transient room tax provided for in Section **59-12-301** shall annually engage an independent auditor to perform an audit to verify that transient room tax funds are used only as authorized by this chapter and to report the findings of the audit to the county legislative body.

Enacted by Chapter 270, 1996 General Session

17-31-8. Tourism tax advisory boards.

(1) (a) Except as provided in Subsection (1)(b), any county that collects the following taxes shall operate a tourism tax advisory board:

- (i) the tax allowed under Section **59-12-301**; or
- (ii) the tax allowed under Section **59-12-603**.

(b) Notwithstanding Subsection (1)(a), a county is exempt from Subsection (1)(a) if the county has an existing board, council, committee, convention visitor's bureau, or body that substantially conforms with Subsections (2), (3), and (4).

(2) A tourism tax advisory board created under Subsection (1) shall consist of at least five members.

(3) A tourism tax advisory board shall be composed of any of the following members that:

- (a) are residents of the county; and
- (b) represent the local:
 - (i) hotel and lodging industry;
 - (ii) restaurant industry;
 - (iii) recreational facilities;
 - (iv) convention facilities;
 - (v) museums;
 - (vi) cultural attractions; or
 - (vii) other tourism-related industries.

(4) (a) Each tourism tax advisory board shall advise the county legislative body on the best use of revenues collected from the tax allowed under Section **59-12-301**.

(b) Each tourism tax advisory board in a county operating under the county commission form of government under Section **17-52-501** or the expanded county commission form under Section **17-52-502** shall advise the county legislative body on the best use of revenues collected from the tax allowed under Section **59-12-603**.

(5) A member of any county tourism tax advisory board:

- (a) may not receive compensation or benefits for the member's services; and
- (b) may receive per diem and expenses incurred in the performance of the member's official duties.

Amended by Chapter 255, 2004 General Session

Amended by Chapter 131, 2004 General Session

Title 59 – Revenue and Taxation

Title 59, Chapter 12 – Sales and Use Tax Act

59-12-301. Transient room tax -- Rate -- Enactment or repeal of tax -- Tax rate change -- Effective date -- Notice requirements.

(1) (a) Any county legislative body may impose a tax of not to exceed 3% on charges for the accommodations and services described in Subsection **59-12-103**(1)(i).

(b) The revenues raised from the tax imposed under Subsection (1)(a) shall be used for the purposes listed in Section **17-31-2**.

(c) The tax imposed under Subsection (1)(a) shall be in addition to the tax imposed under Part 6, Tourism, Recreation, Cultural, and Convention Facilities Tax.

(2) Subject to Subsection (3), a county legislative body:

- (a) may increase or decrease the tax authorized under this part; and

(b) shall regulate the tax authorized under this part by ordinance.

(3) (a) For purposes of this Subsection (3):

(i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Annexation to County.

(ii) "Annexing area" means an area that is annexed into a county.

(b) (i) Except as provided in Subsection (3)(c), if, on or after July 1, 2004, a county enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or change shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (3)(b)(ii) from the county.

(ii) The notice described in Subsection (3)(b)(i)(B) shall state:

(A) that the county will enact or repeal a tax or change the rate of a tax under this part;

(B) the statutory authority for the tax described in Subsection (3)(b)(ii)(A);

(C) the effective date of the tax described in Subsection (3)(b)(ii)(A); and

(D) if the county enacts the tax or changes the rate of the tax described in Subsection (3)(b)(ii)(A), the rate of the tax.

(c) (i) Notwithstanding Subsection (3)(b)(i), for a transaction described in Subsection (3)(c)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:

(A) that begins after the effective date of the enactment of the tax or the tax rate increase; and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under this section.

(ii) Notwithstanding Subsection (3)(b)(i), for a transaction described in Subsection (3)(c)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax or the tax rate decrease; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under this section.

(iii) Subsections (3)(c)(i) and (ii) apply to transactions subject to a tax under Subsection **59-12-103(1)(i)**.

(d) (i) Except as provided in Subsection (3)(e), if, for an annexation that occurs on or after July 1, 2004, the annexation will result in the enactment, repeal, or a change in the rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (3)(d)(ii) from the county that annexes the annexing area.

(ii) The notice described in Subsection (3)(d)(i)(B) shall state:

(A) that the annexation described in Subsection (3)(d)(i) will result in an enactment, repeal, or change in the rate of a tax under this part for the annexing area;

(B) the statutory authority for the tax described in Subsection (3)(d)(ii)(A);

(C) the effective date of the tax described in Subsection (3)(d)(ii)(A); and

(D) if the county enacts the tax or changes the rate of the tax described in Subsection (3)(d)(ii)(A), the rate of the tax.

(e) (i) Notwithstanding Subsection (3)(d)(i), for a transaction described in Subsection (3)(e)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:

(A) that begins after the effective date of the enactment of the tax or the tax rate increase; and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under this section.

(ii) Notwithstanding Subsection (3)(d)(i), for a transaction described in Subsection (3)(e)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax or the tax rate decrease; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under this section.

(iii) Subsections (3)(e)(i) and (ii) apply to transactions subject to a tax under Subsection **59-12-103(1)(i)**.

Amended by Chapter 156, 2004 General Session

Amended by Chapter 255, 2004 General Session

59-12-302. Collection of tax -- Administrative fee -- Penalties -- Commission to interpret, audit, and adjudicate transient room tax.

(1) (a) Except as provided in Subsection (1)(b) or (c), the tax authorized under this part shall be administered, collected, and enforced in accordance with:

(i) the same procedures used to administer, collect, and enforce the tax under:

(A) Part 1, Tax Collection; or

(B) Part 2, Local Sales and Use Tax Act; and
(ii) Chapter 1, General Taxation Policies.
(b) (i) Notwithstanding Section 59-12-206, each county may collect the tax imposed by the county and need not transmit the tax to the commission or contract with the commission to collect the tax.
(ii) The amount of tax collected shall be reported to the commission as provided in Subsection 59-12-207.1(13).
(c) Notwithstanding Subsection (1)(a), a tax under this part is not subject to:
(i) Sections 59-12-107.1 through 59-12-107.3;
(ii) Sections 59-12-207.1 through 59-12-207.4; or
(iii) Subsections 59-12-205(2) through (9).
(d) (i) If the commission collects a tax under this part, the commission:
(A) except as provided in Subsection (1)(d)(i)(B), shall distribute the revenues generated by the tax to the county within which the revenues were generated; and
(B) notwithstanding Subsection (1)(d)(i)(A), may retain an amount of tax collected under this part of not to exceed the lesser of:
(I) 1.5%; or
(II) an amount equal to the cost to the commission of administering this part.
(ii) Any amount the commission retains under Subsection (1)(d)(i)(B) shall be:
(A) placed in the Sales and Use Tax Administrative Fees Account; and
(B) used as provided in Subsection 59-12-206(2).
(2) (a) The tax ordinance adopted by a county pursuant to Section 59-12-301 may include provisions for the imposition of penalties and interest if a person or entity required to pay a tax under this part fails to timely remit the tax to the collecting agent.
(b) A county legislative body may not establish penalties and interest by ordinance that exceed the penalties and interest rates authorized for the commission in Sections 59-1-401 and 59-1-402.
(3) A county may adopt an ordinance imposing penalties and interest under Subsection (2) only if the county does not contract with the commission to collect the tax.
(4) If a county elects to collect the tax as provided in Subsection (1), the commission shall interpret, audit, and adjudicate the tax imposed under this part.

Amended by Chapter 255, 2004 General Session

Tourism, Recreation, Cultural and Convention Facilities (TRCC) Tax

Title 59 – Revenue and Taxation

Title 59, Chapter 12 – Sales and Use Tax Act

59-12-601. Purpose statement.

(1) The Utah Legislature finds and declares that:
(a) the development of tourism, recreation, cultural, and convention facilities throughout Utah is necessary to insure continued growth in the tourism, recreation, and convention industry in Utah;
(b) modern and state-of-the-art tourism, recreation, cultural, and convention facilities would attract tourists, recreation, and convention business in a substantially greater amount than facilities that are obsolete or do not otherwise fill the needs of such business;
(c) available sources of assistance and capital in the individual counties are inadequate by themselves without state assistance to assure necessary development of tourism, recreation, cultural, and convention facilities;
(d) other states have programs of aid to their political subdivisions to foster the development of tourism, recreation, cultural, and convention facilities; and
(e) fostering the development of tourism, recreation, cultural, and convention facilities is a state purpose affecting the welfare of all state citizens and the growth of the economy statewide.
(2) It is therefore the purpose of this part that the state provide a means to foster the development of tourism, recreation, cultural, and convention facilities in order to further the welfare of the citizens of the state and its economic growth.

Amended by Chapter 265, 1991 General Session

59-12-602. Definitions.

As used in this part:

(1) "Convention facility" means any publicly owned or operated convention center, sports arena, or other facility at which conventions, conferences, and other gatherings are held and whose primary business or function is to host such conventions, conferences, and other gatherings.

(2) "Cultural facility" means any publicly owned or operated museum, theater, art center, music hall, or other cultural or arts facility.

(3) "Recreation facility" or "tourist facility" means any publicly owned or operated park, campground, marina, dock, golf course, water park, historic park, monument, planetarium, zoo, bicycle trails, and other recreation or tourism-related facility.

(4) (a) "Restaurant" includes any coffee shop, cafeteria, luncheonette, soda fountain, or fast-food service where food is prepared for immediate consumption.

(b) "Restaurant" does not include:

(i) any retail establishment whose primary business or function is the sale of fuel or food items for off-premise, but not immediate, consumption; and

(ii) a theater that sells food items, but not a dinner theater.

Amended by Chapter 248, 1995 General Session

59-12-603. County tax -- Bases -- Rates -- Use of revenues -- Collection -- Adoption of ordinance required -- Administration -- Distribution -- Enactment or repeal of tax or tax rate change -- Effective date -- Notice requirements.

(1) In addition to any other taxes, a county legislative body may, as provided in this part, impose a tax as follows:

(a) (i) a county legislative body of any county may impose a tax of not to exceed 3% on all short-term leases and rentals of motor vehicles not exceeding 30 days, except for leases and rentals of motor vehicles made for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair or an insurance agreement;

(ii) beginning on or after January 1, 1999, a county legislative body of any county imposing a tax under Subsection (1)(a)(i) may, in addition to imposing the tax under Subsection (1)(a)(i), impose a tax of not to exceed 4% on all short-term leases and rentals of motor vehicles not exceeding 30 days, except for leases and rentals of motor vehicles made for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair or an insurance agreement;

(b) a county legislative body of any county may impose a tax of not to exceed 1% of all sales of prepared foods and beverages that are sold by restaurants; and

(c) a county legislative body of any county may impose a tax of not to exceed .5% on charges for the accommodations and services described in Subsection **59-12-103(1)(i)**.

(2) The revenue from the imposition of the taxes provided for in Subsections (1)(a) through (c) may be used for the purposes of financing tourism promotion, and the development, operation, and maintenance of tourist, recreation, cultural, and convention facilities as defined in Section **59-12-602**.

(3) The tax imposed under Subsection (1)(c) shall be in addition to the tax imposed under Part 3, Transient Room Tax, and may be imposed only by a county of the first class.

(4) A tax imposed under this part may be pledged as security for bonds, notes, or other evidences of indebtedness incurred by a county under Title 11, Chapter 14, Utah Municipal Bond Act, to finance tourism, recreation, cultural, and convention facilities.

(5) (a) In order to impose the tax under Subsection (1), each county legislative body shall annually adopt an ordinance imposing the tax.

(b) The ordinance under Subsection (5)(a) shall include provisions substantially the same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on those items and sales described in Subsection (1).

(c) The name of the county as the taxing agency shall be substituted for that of the state where necessary, and an additional license is not required if one has been or is issued under Section **59-12-106**.

(6) In order to maintain in effect its tax ordinance adopted under this part, each county legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1, Tax Collection, adopt amendments to its tax ordinance to conform with the applicable amendments to Part 1, Tax Collection.

(7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part shall be administered, collected, and enforced in accordance with:

(A) the same procedures used to administer, collect, and enforce the tax under:

(I) Part 1, Tax Collection;

(II) Part 2, Local Sales and Use Tax Act; and

(B) Chapter 1, General Taxation Policies.

(ii) Notwithstanding Subsection (7)(a)(i), a tax under this part is not subject to:

(A) Sections **59-12-107.1** through **59-12-107.3**;

(B) Subsections **59-12-205**(2) through (9); or

(C) Sections **59-12-207.1** through **59-12-207.4**.

(b) Except as provided in Subsection (7)(c):

(i) for a tax under this part other than the tax under Subsection (1)(a)(ii), the commission shall distribute the revenues to the county imposing the tax; and

(ii) for a tax under Subsection (1)(a)(ii), the commission shall distribute the revenues according to the distribution formula provided in Subsection (8).

(c) Notwithstanding Subsection (7)(b), the commission shall deduct from the distributions under Subsection (7)(b) an administrative charge for collecting the tax as provided in Section **59-12-206**.

(8) The commission shall distribute the revenues generated by the tax under Subsection (1)(a)(ii) to each county collecting a tax under Subsection (1)(a)(ii) according to the following formula:

(a) the commission shall distribute 70% of the revenues based on the percentages generated by dividing the revenues collected by each county under Subsection (1)(a)(ii) by the total revenues collected by all counties under Subsection (1)(a)(ii); and

(b) the commission shall distribute 30% of the revenues based on the percentages generated by dividing the population of each county collecting a tax under Subsection (1)(a)(ii) by the total population of all counties collecting a tax under Subsection (1)(a)(ii).

(9) (a) For purposes of this Subsection (9):

(i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Annexation to County.

(ii) "Annexing area" means an area that is annexed into a county.

(b) (i) Except as provided in Subsection (9)(c), if, on or after July 1, 2004, a county enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or change shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (9)(b)(ii) from the county.

(ii) The notice described in Subsection (9)(b)(i)(B) shall state:

(A) that the county will enact or repeal a tax or change the rate of a tax under this part;

(B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);

(C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and

(D) if the county enacts the tax or changes the rate of the tax described in Subsection (9)(b)(ii)(A), the rate of the tax.

(c) (i) Notwithstanding Subsection (9)(b)(i), for a transaction described in Subsection (9)(c)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:

(A) that begins after the effective date of the enactment of the tax or the tax rate increase; and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under Subsection (1).

(ii) Notwithstanding Subsection (9)(b)(i), for a transaction described in Subsection (9)(c)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax or the tax rate decrease; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under Subsection (1).

(iii) Subsections (9)(c)(i) and (ii) apply to transactions subject to a tax under:

(A) Subsection **59-12-103**(1)(e);

(B) Subsection **59-12-103**(1)(i); or

(C) Subsection **59-12-103**(1)(k).

(d) (i) Except as provided in Subsection (9)(e), if, for an annexation that occurs on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area.

(ii) The notice described in Subsection (9)(d)(i)(B) shall state:

(A) that the annexation described in Subsection (9)(d)(i) will result in an enactment, repeal, or change in the rate of a tax under this part for the annexing area;

(B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);

- (C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and
- (D) if the county enacts the tax or changes the rate of the tax described in Subsection (9)(d)(ii)(A), the rate of the tax.
- (e) (i) Notwithstanding Subsection (9)(d)(i), for a transaction described in Subsection (9)(e)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:
 - (A) that begins after the effective date of the enactment of the tax or the tax rate increase; and
 - (B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under Subsection (1).
- (ii) Notwithstanding Subsection (9)(d)(i), for a transaction described in Subsection (9)(e)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:
 - (A) that began before the effective date of the repeal of the tax or the tax rate decrease; and
 - (B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under Subsection (1).
- (iii) Subsections (9)(e)(i) and (ii) apply to transactions subject to a tax under:
 - (A) Subsection **59-12-103**(1)(e);
 - (B) Subsection **59-12-103**(1)(i); or
 - (C) Subsection **59-12-103**(1)(k).

Amended by Chapter 255, 2004 General Session
Amended by Chapter 156, 2004 General Session

Motor Vehicle Rental Tax

Title 59 – Revenue and Taxation

Title 59, Chapter 12 – Sales and Use Tax Act

59-12-1201. Motor vehicle rental tax -- Rate -- Exemptions -- Administration, collection, and enforcement of tax -- Deposits -- Effective dates.

- (1) (a) Except as provided in Subsection (3), there is imposed a tax of 2.5% on all short-term leases and rentals of motor vehicles not exceeding 30 days.
- (b) The tax imposed in this section is in addition to all other state, county, or municipal fees and taxes imposed on rentals of motor vehicles.
- (2) (a) Subject to Subsection (2)(b), a tax rate repeal or tax rate change for the tax imposed under Subsection (1) shall take effect on the first day of a calendar quarter.
- (b) (i) For a transaction subject to a tax under Subsection (1), a tax rate increase shall take effect on the first day of the first billing period:
 - (A) that begins after the effective date of the tax rate increase; and
 - (B) if the billing period for the transaction begins before the effective date of a tax rate increase imposed under Subsection (1).
- (ii) For a transaction subject to a tax under Subsection (1), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:
 - (A) that began before the effective date of the repeal of the tax or the tax rate decrease; and
 - (B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under Subsection (1).
- (3) A motor vehicle is exempt from the tax imposed under Subsection (1) if:
 - (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;
 - (b) the motor vehicle is rented as a personal household goods moving van; or
 - (c) the lease or rental of the motor vehicle is made for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an insurance agreement.
- (4) (a) (i) Except as provided in Subsection (4)(a)(ii), the tax authorized under this section shall be administered, collected, and enforced in accordance with:
 - (A) the same procedures used to administer, collect, and enforce the tax under:
 - (I) Part 1, Tax Collection; or
 - (II) Part 2, Local Sales and Use Tax Act; and
 - (B) Chapter 1, General Taxation Policies.
- (ii) Notwithstanding Subsection (4)(a)(i), a tax under this part is not subject to:
 - (A) Subsections **59-12-103**(4) through (7);
 - (B) Sections **59-12-107.1** through **59-12-107.3**;

- (C) Subsections **59-12-205**(2) through (9); or
- (D) Sections **59-12-207.1** through **59-12-207.4**.

(b) The commission may retain a maximum of 1-1/2% of the tax collected under this section for the costs of rendering its services under this section.

(c) Except as provided under Subsection (4)(b), all revenue received by the commission under this section shall be deposited daily with the state treasurer and credited monthly to the Transportation Corridor Preservation Revolving Loan Fund under Section **72-2-117**.

Amended by Chapter 156, 2004 General Session
Amended by Chapter 255, 2004 General Session

Resort Communities Sales Tax

Title 59 – Revenue and Taxation

Title 59, Chapter 12 – Sales and Use Tax Act

59-12-401. Resort communities tax -- Base -- Rate -- Collection fees.

(1) (a) Except as provided in Subsections (1)(b) and **59-12-207.1**(7)(c), and in addition to other sales and use taxes, a city or town in which the transient room capacity as defined in Section **59-12-405** is greater than or equal to 66% of the municipality's permanent census population may impose a sales and use tax of up to 1% on the transactions described in Subsection **59-12-103**(1) located within the city or town.

(b) Notwithstanding Subsection (1)(a), a city or town may not impose a tax under this section on:

(i) the sale of:

- (A) a motor vehicle;
- (B) an aircraft;
- (C) a watercraft;
- (D) a modular home;
- (E) a manufactured home; or
- (F) a mobile home; or

(ii) the sales and uses described in Section **59-12-104** to the extent the sales and uses are exempt from taxation under Section **59-12-104**.

(c) For purposes of this Subsection (1), the location of a transaction shall be determined in accordance with Sections **59-12-207.1** through **59-12-207.4**.

(2) (a) An amount equal to the total of any costs incurred by the state in connection with the implementation of Subsection (1) which exceed, in any year, the revenues received by the state from its collection fees received in connection with the implementation of Subsection (1) shall be paid over to the state General Fund by the cities and towns which impose the tax provided for in Subsection (1).

(b) Amounts paid under Subsection (2)(a) shall be allocated proportionally among those cities and towns according to the amount of revenue the respective cities and towns generate in that year through imposition of that tax.

Amended by Chapter 224, 2004 General Session
Amended by Chapter 224, 2004 General Session

59-12-402. Additional resort communities sales tax -- Base -- Rate -- Collection fees -- Resolution and voter approval requirements -- Election requirements -- Notice requirements -- Ordinance requirements.

(1) (a) Except as provided in Subsections (1)(b) and **59-12-207.1**(7)(c), and subject to the limitations of Subsections (2) through (6), the governing body of a municipality in which the transient room capacity as defined in Section **59-12-405** is greater than or equal to 66% of the municipality's permanent census population may, in addition to the sales tax authorized under Section **59-12-401**, impose an additional resort communities sales tax in an amount that is less than or equal to .5% on the transactions described in Subsection **59-12-103**(1) located within the municipality.

(b) Notwithstanding Subsection (1)(a), the governing body of a municipality may not impose a tax under this section on:

(i) the sale of:

- (A) a motor vehicle;

- (B) an aircraft;
- (C) a watercraft;
- (D) a modular home;
- (E) a manufactured home; or
- (F) a mobile home; or

(ii) the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104.

(c) For purposes of this Subsection (1), the location of a transaction shall be determined in accordance with Sections 59-12-207.1 through 59-12-207.4.

(2) (a) An amount equal to the total of any costs incurred by the state in connection with the implementation of Subsection (1) which exceed, in any year, the revenues received by the state from its collection fees received in connection with the implementation of Subsection (1) shall be paid over to the state General Fund by the cities and towns which impose the tax provided for in Subsection (1).

(b) Amounts paid under Subsection (2)(a) shall be allocated proportionally among those cities and towns according to the amount of revenue the respective cities and towns generate in that year through imposition of that tax.

(3) To impose an additional resort communities sales tax under this section, the governing body of the municipality shall:

- (a) pass a resolution approving the tax; and
- (b) except as provided in Subsection (6), obtain voter approval for the tax as provided in Subsection (4).

(4) To obtain voter approval for an additional resort communities sales tax under Subsection (3)(b), a municipality shall:

- (a) hold the additional resort communities sales tax election during:
 - (i) a regular general election; or
 - (ii) a municipal general election; and
- (b) publish notice of the election:
 - (i) 15 days or more before the day on which the election is held; and
 - (ii) in a newspaper of general circulation in the municipality.

(5) An ordinance approving an additional resort communities sales tax under this section shall provide an effective date for the tax as provided in Section 59-12-403.

(6) (a) Except as provided in Subsection (6)(b), a municipality is not subject to the voter approval requirements of Subsection (3)(b) if, on or before January 1, 1996, the municipality imposed a license fee or tax on businesses based on gross receipts pursuant to Section 10-1-203.

(b) The exception from the voter approval requirements in Subsection (6)(a) does not apply to a municipality that, on or before January 1, 1996, imposed a license fee or tax on only one class of businesses based on gross receipts pursuant to Section 10-1-203.

Amended by Chapter 255, 2004 General Session

Amended by Chapter 224, 2004 General Session

59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date -- Notice requirements -- Administration, collection, and enforcement of tax.

(1) For purposes of this section:

- (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part 4, Annexation.
- (b) "Annexing area" means an area that is annexed into a city or town.

(2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after July 1, 2004, a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or change shall take effect:

- (i) on the first day of a calendar quarter; and
- (ii) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (2)(b) from the city or town.

(b) The notice described in Subsection (2)(a)(ii) shall state:

- (i) that the city or town will enact or repeal a tax or change the rate of a tax under this part;
- (ii) the statutory authority for the tax described in Subsection (2)(b)(i);
- (iii) the effective date of the tax described in Subsection (2)(b)(i); and
- (iv) if the city or town enacts the tax or changes the rate of the tax described in Subsection (2)(b)(i), the rate of the tax.

(c) (i) Notwithstanding Subsection (2)(a), for a transaction described in Subsection (2)(c)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:

- (A) that begins after the effective date of the enactment of the tax or the tax rate increase; and
- (B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax

rate increase imposed under:

- (I) Section **59-12-401**; or
- (II) Section **59-12-402**.

(ii) Notwithstanding Subsection (2)(a), for a transaction described in Subsection (2)(c)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax or the tax rate decrease; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under:

- (I) Section **59-12-401**; or
- (II) Section **59-12-402**.

(iii) Subsections (2)(c)(i) and (ii) apply to transactions subject to a tax under:

(A) Subsection **59-12-103**(1)(b);

(B) Subsection **59-12-103**(1)(c);

(C) Subsection **59-12-103**(1)(d);

(D) Subsection **59-12-103**(1)(e);

(E) Subsection **59-12-103**(1)(f);

(F) Subsection **59-12-103**(1)(g);

(G) Subsection **59-12-103**(1)(h);

(H) Subsection **59-12-103**(1)(i);

(I) Subsection **59-12-103**(1)(j); or

(J) Subsection **59-12-103**(1)(k).

(d) (i) Notwithstanding Subsection (2)(a), if a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax described in Subsection (2)(a) takes effect:

(A) on the first day of a calendar quarter; and

(B) beginning 60 days after the effective date of the enactment, repeal, or change in the rate of the tax under Subsection (2)(a).

(ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

(3) (a) Except as provided in Subsection (3)(c) or (d), if, for an annexation that occurs on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take effect:

(i) on the first day of a calendar quarter; and

(ii) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.

(b) The notice described in Subsection (3)(a)(ii) shall state:

(i) that the annexation described in Subsection (3)(a) will result in an enactment, repeal, or change in the rate of a tax under this part for the annexing area;

(ii) the statutory authority for the tax described in Subsection (3)(b)(i);

(iii) the effective date of the tax described in Subsection (3)(b)(i); and

(iv) if the city or town enacts the tax or changes the rate of the tax described in Subsection (3)(b)(i), the rate of the tax.

(c) (i) Notwithstanding Subsection (3)(a), for a transaction described in Subsection (3)(c)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:

(A) that begins after the effective date of the enactment of the tax or the tax rate increase; and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under:

- (I) Section **59-12-401**; or
- (II) Section **59-12-402**.

(ii) Notwithstanding Subsection (3)(a), for a transaction described in Subsection (3)(c)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax or the tax rate decrease; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under:

- (I) Section **59-12-401**; or
- (II) Section **59-12-402**.

(iii) Subsections (3)(c)(i) and (ii) apply to transactions subject to a tax under:

(A) Subsection **59-12-103**(1)(b);

(B) Subsection **59-12-103**(1)(c);

- (C) Subsection **59-12-103**(1)(d);
- (D) Subsection **59-12-103**(1)(e);
- (E) Subsection **59-12-103**(1)(f);
- (F) Subsection **59-12-103**(1)(g);
- (G) Subsection **59-12-103**(1)(h);
- (H) Subsection **59-12-103**(1)(i);
- (I) Subsection **59-12-103**(1)(j); or
- (J) Subsection **59-12-103**(1)(k).

(d) (i) Notwithstanding Subsection (3)(a), if a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax described in Subsection (3)(a) takes effect:

(A) on the first day of a calendar quarter; and

(B) beginning 60 days after the effective date of the enactment, repeal, or change in the rate of the tax under Subsection (3)(a).

(ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

(4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall be administered, collected, and enforced in accordance with:

(i) the same procedures used to administer, collect, and enforce the tax under:

(A) Part 1, Tax Collection; or

(B) Part 2, Local Sales and Use Tax Act; and

(ii) Chapter 1, General Taxation Policies.

(b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to Subsections **59-12-205**(2) through (9).

Amended by Chapter 255, 2004 General Session

Botanical, Cultural and Zoo Tax

Title 59 – Revenue and Taxation

Title 59, Chapter 12 – Sales and Use Tax Act

59-12-701. Purpose statement.

The Utah Legislature finds and declares that:

(1) Recreational and zoological facilities and the botanical, cultural, and zoological organizations of the state of Utah enhance the quality of life of Utah's citizens, as well as the continuing growth of Utah's tourist, convention, and recreational industries.

(2) Utah was the first state in this nation to create and financially support a state arts agency, now the Utah Arts Council, which is committed to the nurturing and growth of cultural pursuits.

(3) Utah has provided, and intends to continue, the financial support of recreational and zoological facilities and the botanical, cultural, and zoological organizations of this state.

(4) The state's support of its recreational and zoological facilities and its botanical, cultural, and zoological organizations has not been sufficient to assure the continuing existence and growth of these facilities and organizations, and the Legislature believes that local government may wish to play a greater role in the support of these organizations.

(5) Without jeopardizing the state's ongoing support of its recreational and zoological facilities and its botanical, cultural, and zoological organizations, the Legislature intends to permit the counties of the state of Utah to enhance public financial support of Utah's publicly owned or operated recreational and zoological facilities, and botanical, cultural, and zoological organizations owned or operated by institutions or private nonprofit organizations, through the imposition of a county sales and use tax.

(6) In a county of the first class, it is necessary and appropriate to allocate a tax imposed under this part in a manner that provides adequate predictable support to a fixed number of botanical and cultural organizations and that gives the county legislative body discretion to allocate the tax revenues to other botanical and cultural organizations.

Amended by Chapter 296, 2003 General Session

59-12-702. Definitions.

As used in this part:

(1) "Administrative unit" means a division of a private nonprofit organization or institution that:

(a) would, if it were a separate entity, be a botanical organization or cultural organization; and

(b) consistently maintains books and records separate from those of its parent organization.

(2) "Botanical organization" means:

(a) a private nonprofit organization or institution having as its primary purpose the advancement and preservation of plant science through horticultural display, botanical research, and community education; or

(b) an administrative unit.

(3) "Cultural facility" is as defined in Section **59-12-602**.

(4) (a) "Cultural organization":

(i) means:

(A) a private nonprofit organization or institution having as its primary purpose the advancement and preservation of:

(I) natural history;

(II) art;

(III) music;

(IV) theater; or

(V) dance; and

(B) an administrative unit; and

(ii) includes, for purposes of Subsections **59-12-704**(1)(d) and (6) only:

(A) a private nonprofit organization or institution having as its primary purpose the advancement and preservation of history;

(B) a municipal or county cultural council having as its primary purpose the advancement and preservation of:

(I) history;

(II) natural history;

(III) art;

(IV) music;

(V) theater; or

(VI) dance.

(b) "Cultural organization" does not include:

(i) any agency of the state;

(ii) except as provided in Subsection (4)(a)(ii)(B), any political subdivision of the state;

(iii) any educational institution whose annual revenues are directly derived more than 50% from state funds; or

(iv) in a county of the first or second class, any radio or television broadcasting network or station, cable communications system, newspaper, or magazine.

(5) "Institution" means any of the institutions listed in Subsections **53B-1-102**(1)(b) through (l).

(6) "Recreational facility" means any publicly owned or operated park, campground, marina, dock, golf course, playground, athletic field, gymnasium, swimming pool, trail system, cultural facility, or other facility used for recreational purposes.

(7) "Rural radio station" means a nonprofit radio station based in a county of the third, fourth, fifth, or sixth class.

(8) In a county of the first class, "zoological facilities" means any public, public-private partnership, or private nonprofit buildings, exhibits, utilities and infrastructure, walkways, pathways, roadways, offices, administration facilities, public service facilities, educational facilities, enclosures, public viewing areas, animal barriers, animal housing, animal care facilities, and veterinary and hospital facilities related to the advancement, exhibition, or preservation of mammals, birds, reptiles, or amphibians.

(9) (a) (i) Except as provided in Subsection (9)(a)(ii), "zoological organization" means a public, public-private partnership, or private nonprofit organization having as its primary purpose the advancement and preservation of zoology.

(ii) In a county of the first class, "zoological organization" means a nonprofit organization having as its primary purpose the advancement and exhibition of mammals, birds, reptiles, or amphibians to an audience of 75,000 or more persons annually.

(b) "Zoological organization" does not include any agency of the state, educational institution, radio or television broadcasting network or station, cable communications system, newspaper, or magazine.

Amended by Chapter 186, 2004 General Session

**59-12-703. Opinion question election -- Imposition of tax -- Uses of tax monies -- Enactment or repeal of tax -
- Effective date -- Notice requirements.**

(1) (a) (i) Except as provided in Subsections (1)(a)(ii) and **59-12-207.1(7)(c)**, a county legislative body may submit an opinion question to the residents of that county, by majority vote of all members of the legislative body, so that each resident of the county, except residents in municipalities that have already imposed a sales and use tax under Part 14, City or Town Option Funding For Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an opportunity to express the resident's opinion on the imposition of a local sales and use tax of .1% on the transactions described in Subsection **59-12-103(1)** located within the county, to fund recreational and zoological facilities, botanical, cultural, and zoological organizations, and rural radio stations, in that county.

(ii) Notwithstanding Subsection (1)(a)(i), a county legislative body may not impose a tax under this section on:

(A) the sales and uses described in Section **59-12-104** to the extent the sales and uses are exempt from taxation under Section **59-12-104**; and

(B) sales and uses within municipalities that have already imposed a sales and use tax under Part 14, City or Town Option Funding For Botanical, Cultural, Recreational, and Zoological Organizations or Facilities.

(b) For purposes of this Subsection (1), the location of a transaction shall be determined in accordance with Sections **59-12-207.1** through **59-12-207.4**.

(c) The election shall follow the procedures outlined in Title 11, Chapter 14, Utah Municipal Bond Act.

(2) (a) If the county legislative body determines that a majority of the county's registered voters voting on the imposition of the tax have voted in favor of the imposition of the tax as prescribed in Subsection (1)(a), the county legislative body may impose the tax by a majority vote of all members of the legislative body on the transactions:

(i) described in Subsection (1); and

(ii) within the county, including the cities and towns located in the county, except those cities and towns that have already imposed a sales and use tax under Part 14, City or Town Option Funding For Botanical, Cultural, Recreational, and Zoological Organizations or Facilities.

(b) A county legislative body may revise county ordinances to reflect statutory changes to the distribution formula or eligible recipients of revenues generated from a tax imposed under Subsection (2)(a):

(i) after the county legislative body submits an opinion question to residents of the county in accordance with Subsection (1) giving them the opportunity to express their opinion on the proposed revisions to county ordinances; and

(ii) if the county legislative body determines that a majority of those voting on the opinion question have voted in favor of the revisions.

(3) The monies generated from any tax imposed under Subsection (2) shall be used for funding:

(a) recreational and zoological facilities located within the county or a city or town located in the county, except a city or town that has already imposed a sales and use tax under Part 14, City or Town Option Funding For Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; and

(b) ongoing operating expenses of:

(i) recreational facilities described in Subsection (3)(a);

(ii) botanical, cultural, and zoological organizations within the county; and

(iii) rural radio stations within the county.

(4) (a) A tax authorized under this part shall be:

(i) except as provided in Subsection (4)(b), administered, collected, and enforced in accordance with:

(A) the same procedures used to administer, collect, and enforce the tax under:

(I) Part 1, Tax Collection; or

(II) Part 2, Local Sales and Use Tax Act; and

(B) Chapter 1, General Taxation Policies; and

(ii) levied for a period of ten years and may be reauthorized at the end of the ten-year period in accordance with this section.

(b) Notwithstanding Subsection (4)(a)(i), a tax under this part is not subject to Subsections **59-12-205(2)** through (9).

(5) (a) For purposes of this Subsection (5):

(i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Annexation to County.

(ii) "Annexing area" means an area that is annexed into a county.

(b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a county enacts or repeals a tax under this part, the enactment or repeal shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (5)(b)(ii) from the county.

(ii) The notice described in Subsection (5)(b)(i)(B) shall state:

(A) that the county will enact or repeal a tax under this part;

(B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

(C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

(D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the tax.

(c) (i) Notwithstanding Subsection (5)(b)(i), for a transaction described in Subsection (5)(c)(iii), the enactment of a tax shall take effect on the first day of the first billing period:

(A) that begins after the effective date of the enactment of the tax; and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax under this section.

(ii) Notwithstanding Subsection (5)(b)(i), for a transaction described in Subsection (5)(c)(iii), the repeal of a tax shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax imposed under this section.

(iii) Subsections (5)(c)(i) and (ii) apply to transactions subject to a tax under:

(A) Subsection **59-12-103**(1)(b);

(B) Subsection **59-12-103**(1)(c);

(C) Subsection **59-12-103**(1)(d);

(D) Subsection **59-12-103**(1)(e);

(E) Subsection **59-12-103**(1)(f);

(F) Subsection **59-12-103**(1)(g);

(G) Subsection **59-12-103**(1)(h);

(H) Subsection **59-12-103**(1)(i);

(I) Subsection **59-12-103**(1)(j); or

(J) Subsection **59-12-103**(1)(k).

(d) (i) Notwithstanding Subsection (5)(b)(i), if a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection (5)(b)(i) takes effect:

(A) on the first day of a calendar quarter; and

(B) beginning 60 days after the effective date of the enactment or repeal under Subsection (5)(b)(i).

(ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

(e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this part for an annexing area, the enactment or repeal shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (5)(e)(ii) from the county that annexes the annexing area.

(ii) The notice described in Subsection (5)(e)(i)(B) shall state:

(A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or repeal of a tax under this part for the annexing area;

(B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

(C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

(D) the rate of the tax described in Subsection (5)(e)(ii)(A).

(f) (i) Notwithstanding Subsection (5)(e)(i), for a transaction described in Subsection (5)(f)(iii), the enactment of a tax shall take effect on the first day of the first billing period:

(A) that begins after the effective date of the enactment of the tax; and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax under this section.

(ii) Notwithstanding Subsection (5)(e)(i), for a transaction described in Subsection (5)(f)(iii), the repeal of a tax shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax imposed under this section.

(iii) Subsections (5)(f)(i) and (ii) apply to transactions subject to a tax under:

(A) Subsection **59-12-103**(1)(b);

(B) Subsection **59-12-103**(1)(c);

(C) Subsection **59-12-103**(1)(d);

(D) Subsection **59-12-103**(1)(e);

(E) Subsection **59-12-103**(1)(f);

(F) Subsection **59-12-103**(1)(g);

(G) Subsection **59-12-103**(1)(h);

- (H) Subsection **59-12-103**(1)(i);
- (I) Subsection **59-12-103**(1)(j); or
- (J) Subsection **59-12-103**(1)(k).

(g) (i) Notwithstanding Subsection (5)(e)(i), if a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection (5)(e)(i) takes effect:

(A) on the first day of a calendar quarter; and

(B) beginning 60 days after the effective date of the enactment or repeal under Subsection (5)(e)(i).

(ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

Amended by Chapter 317, 2004 General Session

Amended by Chapter 255, 2004 General Session

59-12-704. Distribution of revenues -- Advisory board creation -- Determining operating expenses.

(1) Except as provided in Subsections (3)(b) and (5), and subject to the requirements of this section, any revenues collected by a county of the first class under this part shall be distributed annually by the county legislative body to support recreational and zoological facilities and botanical, cultural, and zoological organizations within that first class county as follows:

(a) 30% of the revenue collected by the county under this section shall be distributed by the county legislative body to support recreational facilities located within the county;

(b) (i) subject to Subsection (1)(b)(ii) and except as provided in Subsection (1)(b)(iii), 12-1/8% of the revenue collected by the county under this section shall be distributed by the county legislative body to support no more than three zoological facilities and organizations located within the county, with 94.5% of that revenue being distributed to zoological facilities and organizations with average annual operating expenses of \$2,000,000 or more and 5.5% of that revenue being distributed to zoological facilities and organizations with average annual operating expenses of less than \$2,000,000;

(ii) except as provided in Subsection (1)(b)(iii), the county legislative body shall distribute the monies described in Subsection (1)(b)(i) among the zoological facilities and organizations in proportion to their average annual operating expenses as determined under Subsection (3); and

(iii) if a zoological facility or organization is created or relocated within the county after June 1, 2003, the county legislative body shall distribute the monies described in Subsection (1)(b)(i) as it determines appropriate;

(c) (i) 48-7/8% of the revenue collected by the county under this section shall be distributed to no more than 23 botanical and cultural organizations with average annual operating expenses of more than \$250,000 as determined under Subsection (3);

(ii) subject to Subsection (1)(c)(iii), the county legislative body shall distribute the monies described in Subsection (1)(c)(i) among the organizations and in proportion to their average annual operating expenses as determined under Subsection (3); and

(iii) the amount distributed to any organization described in Subsection (1)(c)(i) may not exceed 35% of the organization's operating budget; and

(d) (i) 9% of the revenue collected by the county under this section shall be distributed to botanical and cultural organizations that do not receive revenue under Subsection (1)(c)(i); and

(ii) the county legislative body shall determine how the monies shall be distributed among the organizations described in Subsection (1)(d)(i).

(2) (a) The county legislative body of each county shall create an advisory board to advise the county legislative body on disbursement of funds to botanical and cultural organizations under Subsection (1)(c)(i).

(b) (i) The advisory board under Subsection (2)(a) shall consist of seven members appointed by the county legislative body.

(ii) In a county of the first class, two of the seven members of the advisory board under Subsection (2)(a) shall be appointed from the Utah Arts Council.

(3) (a) Except as provided in Subsection (3)(b), to be eligible to receive monies collected by the county under this part, a botanical, cultural, and zoological organization located within a county of the first class shall, every three years:

(i) calculate their average annual operating expenses based upon audited operating expenses for three preceding fiscal years; and

(ii) submit to the appropriate county legislative body:

(A) a verified audit of annual operating expenses for each of those three preceding fiscal years; and

(B) the average annual operating expenses as calculated under Subsection (3)(a)(i).

(b) Notwithstanding Subsection (3)(a), the county legislative body may waive the operating expenses reporting requirements under Subsection (3)(a) for organizations described in Subsection (1)(d)(i).

(4) When calculating average annual operating expenses as described in Subsection (3), each botanical, cultural, and zoological organization shall use the same three-year fiscal period as determined by the county legislative body.

(5) (a) By July 1 of each year, the county legislative body of a first class county may index the threshold amount in Subsections (1)(c) and (d).

(b) Any change under Subsection (5)(a) shall be rounded off to the nearest \$100.

(6) (a) Beginning on July 1, 2001, in a county except for a county of the first class, the county legislative body shall by ordinance provide for the distribution of the entire amount of the revenues generated by the tax imposed by this section as provided in this Subsection (6).

(b) Pursuant to an interlocal agreement established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act, a county described in Subsection (6)(a) may distribute to a city, town, or political subdivision within the county revenues generated by a tax under this part.

(c) The revenues distributed under Subsection (6)(a) or (b) shall be used for one or more organizations or facilities defined in Section **59-12-702** regardless of whether the revenues are distributed:

(i) directly by the county described in Subsection (6)(a) to be used for an organization or facility defined in Section **59-12-702**; or

(ii) in accordance with an interlocal agreement described in Subsection (6)(b).

(7) A county legislative body may retain up to 1.5% of the proceeds from a tax under this part for the cost of administering the provisions of this part.

(8) The commission may retain an amount not to exceed 1-1/2% of the tax collected under this part for the cost of administering this part.

Amended by Chapter 296, 2003 General Session

59-12-705. Free or reduced admission day available to all state residents.

Each botanical, cultural, or zoological organization that receives monies from a tax imposed under the authority of this part and that periodically offers a waived or discounted admission fee shall make such waived or discounted admission available to all residents of the state.

Enacted by Chapter 284, 1996 General Session

Municipal Transient Room Tax

Title 59 – Revenue and Taxation

Title 59, Chapter 12 – Sales and Use Tax Act

59-12-352. Transient room tax authority for municipalities -- Purposes for which revenues may be used.

(1) The governing body of a municipality may impose a tax of not to exceed 1% on charges for the accommodations and services described in Subsection **59-12-103**(1)(i).

(2) Subject to the limitations of Subsection (1), a governing body of a municipality may, by ordinance, increase or decrease the tax under this part.

(3) A governing body of a municipality shall regulate the tax under this part by ordinance.

(4) Revenues generated by the tax under this part may be used for general fund purposes.

Amended by Chapter 255, 2004 General Session

Amended by Chapter 156, 2004 General Session

59-12-353. Additional municipal transient room tax to repay bonded or other indebtedness.

(1) Subject to the limitations of Subsection (2), the governing body of a municipality may, in addition to the tax authorized under Section **59-12-352**, impose a tax of not to exceed .5% on charges for the accommodations and services described in Subsection **59-12-103**(1)(i) if the governing body of the municipality:

(a) before January 1, 1996, levied and collected a license fee or tax under Section **10-1-203**; and

(b) before January 1, 1997, took official action to obligate the municipality in reliance on the license fees or taxes under Subsection (1)(a)(i) to the payment of debt service on bonds or other indebtedness, including lease payments under a lease purchase agreement.

(2) The governing body of a municipality may impose the tax under this section until the sooner of:

(a) the day on which the following have been paid in full:

- (i) the debt service on bonds or other indebtedness, including lease payments under a lease purchase agreement described in Subsection (1) (b); and
- (ii) refunding obligations that the municipality incurred as a result of the debt service on bonds or other indebtedness, including lease payments under a lease purchase agreement described in Subsection (1) (b); or
- (b) 25 years from the day on which the municipality levied the tax under this section.

Amended by Chapter 156, 2004 General Session

Amended by Chapter 255, 2004 General Session

59-12-354. Collection of tax -- Administrative fee -- Penalties -- Commission to interpret, audit, and adjudicate transient room tax.

(1) Except as provided in Subsections (2) and (3), the tax authorized under this part shall be administered, collected, and enforced in accordance with:

(a) the same procedures used to administer, collect, and enforce the tax under:

- (i) Part 1, Tax Collection; or
- (ii) Part 2, Local Sales and Use Tax Act; and
- (b) Chapter 1, General Taxation Policies.

(2) Notwithstanding Section 59-12-206, a municipality imposing a tax under this part:

(a) may collect the tax and is not required to:

- (i) transmit revenues generated by the tax to the commission; or
- (ii) contract with the commission to collect the tax;
- (b) shall report the revenues it collects to the commission as provided in Subsection 59-12-207.1(13); and
- (c) subject to the limitations of Subsections (4) and (5), may adopt an ordinance imposing penalties and interest

on a person who:

(i) is required to pay the tax under this part; and

(ii) does not remit the tax to the collecting agent in a timely manner.

(d) (i) If the commission collects a tax under this part, the commission:

(A) except as provided in Subsection (2)(d)(i)(B), shall distribute the revenues generated by the tax to the municipality within which the revenues were generated; and

(B) notwithstanding Subsection (2)(d)(i)(A), may retain an amount of tax collected under this part of not to exceed the lesser of:

(I) 1.5%; or

(II) an amount equal to the cost to the commission of administering this part.

(ii) Any amount the commission retains under Subsection (2)(d)(i)(B) shall be:

(A) placed in the Sales and Use Tax Administrative Fees Account; and

(B) used as provided in Subsection 59-12-206(2).

(3) Notwithstanding Subsection (1)(a), the tax under this part is not subject to:

(a) Sections 59-12-107.1 through 59-12-107.3;

(b) Subsections 59-12-205(2) through (9); or

(c) Sections 59-12-207.1 through 59-12-207.4.

(4) A governing body of a municipality adopting an ordinance imposing penalties and interest under Subsection (2)(c) may impose penalties and interest in amounts that are less than or equal to the penalties and interest rates authorized for the commission under Sections 59-1-401 and 59-1-402.

(5) A municipality may adopt an ordinance imposing penalties and interest under Subsection (2)(c) only if the municipality does not contract with the commission to collect the tax.

(6) If a municipality elects to collect the tax as provided in Subsection (2), the commission shall interpret, audit, and adjudicate the tax imposed under this part.

Amended by Chapter 255, 2004 General Session

59-12-355. Enactment or repeal of tax -- Tax rate change -- Effective date -- Notice requirements.

(1) For purposes of this section:

(a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part 4, Annexation.

(b) "Annexing area" means an area that is annexed into a city or town.

(2) (a) Except as provided in Subsection (2)(c), if, on or after July 1, 2004, a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or change shall take effect:

(i) on the first day of a calendar quarter; and

(ii) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (2)(b) from the city or town.

(b) The notice described in Subsection (2)(a)(ii) shall state:

- (i) that the city or town will enact or repeal a tax or change the rate of a tax under this part;
 - (ii) the statutory authority for the tax described in Subsection (2)(b)(i);
 - (iii) the effective date of the tax described in Subsection (2)(b)(i); and
 - (iv) if the city or town enacts the tax or changes the rate of the tax described in Subsection (2)(b)(i), the rate of the tax.
- (c) (i) Notwithstanding Subsection (2)(a), for a transaction described in Subsection (2)(c)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:
- (A) that begins after the effective date of the enactment of the tax or the tax rate increase; and
 - (B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under:
 - (I) Section **59-12-352**; or
 - (II) Section **59-12-353**.
- (ii) Notwithstanding Subsection (2)(a), for a transaction described in Subsection (2)(c)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:
- (A) that began before the effective date of the repeal of the tax or the tax rate decrease; and
 - (B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under:
 - (I) Section **59-12-352**; or
 - (II) Section **59-12-353**.
- (iii) Subsections (2)(c)(i) and (ii) apply to transactions subject to a tax under Subsection **59-12-103**(1)(i).
- (3) (a) Except as provided in Subsection (3)(c), if, for an annexation that occurs on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take effect:
- (i) on the first day of a calendar quarter; and
 - (ii) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.
- (b) The notice described in Subsection (3)(a)(ii) shall state:
- (i) that the annexation described in Subsection (3)(a) will result in an enactment, repeal, or change in the rate of a tax under this part for the annexing area;
 - (ii) the statutory authority for the tax described in Subsection (3)(b)(i);
 - (iii) the effective date of the tax described in Subsection (3)(b)(i); and
 - (iv) if the city or town enacts the tax or changes the rate of the tax described in Subsection (3)(b)(i), the rate of the tax.
- (c) (i) Notwithstanding Subsection (3)(a), for a transaction described in Subsection (3)(c)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:
- (A) that begins after the effective date of the enactment of the tax or the tax rate increase; and
 - (B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under:
 - (I) Section **59-12-352**; or
 - (II) Section **59-12-353**.
- (ii) Notwithstanding Subsection (3)(a), for a transaction described in Subsection (3)(c)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:
- (A) that began before the effective date of the repeal of the tax or the tax rate decrease; and
 - (B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under:
 - (I) Section **59-12-352**; or
 - (II) Section **59-12-353**.
- (iii) Subsections (3)(c)(i) and (ii) apply to transactions subject to a tax under Subsection **59-12-103**(1)(i).

Amended by Chapter 255, 2004 General Session